



Wheat Morning Update & Commentary:

The week ahead should have volatile trade in store for the wheat market. With a large number of short positions in the market, wheat could be in store for short-covering ahead of Wednesday's USDA report. Ending stocks of US Wheat in this week's USDA monthly report are forecast to be 971 mln bushels, 10 mln bu lower than last month's report. Any rally in wheat should be anemic as fundamentals should win out by Friday. Black Sea wheat continues to be the leader on price on the export market. Export markets could get even more crowded, as India mulls a return to net wheat exporter, following another big harvest and growing stockpiles. Japan and Bangladesh remain around the market, but a low number of active tenders are present. Protein continues to garner premium and Spring Wheat has a battle for acres ahead. Northern U.S. farmers are also keeping an eye on river levels ahead of spring planting, with above-average snowpack still on the ground and above-average precip in the 2 week outlook.

Overnight trade was higher as a weaker dollar and squaring of positions prevailed. Chicago wheat closed up 2 cents in the May with 3217 contracts changing hands. In Kansas City, wheat finished up 2 cents and in MPLS wheat finished up 1 1/4 cents. Kansas City is now 7 cents premium to Chicago and MPLS is 16 1/2 cents premium Chicago in the July. Matif wheat is trading lower, and near new contract lows.

Globex Overnight

Contract	Last	Net Change	High	Low	Volume
ZWH10	485 ⁰	2 ⁶	486 ⁰	484 ⁰	20
ZWK10	495 ⁴	2 ⁰	497 ²	494 ⁰	3217
ZWN10	508 ²	2 ⁴	509 ⁶	506 ⁶	1769
ZWU10	522 ⁶	2 ²	524 ⁰	522 ⁶	72
KEH10	493 ⁰			0	
KEN10	513 ⁴	2 ⁰	514 ⁴	512 ⁰	232
MWEH10	503 ⁶			0	
MWEN10	524 ⁶	1 ⁶	525 ⁰	524 ⁰	39

Early Opening Calls: 2-3 cents better

Top News:

- Ending stocks of US Wheat in this week's USDA monthly report shows 971 mln bu are expected down 10 mln bu from the prior month's report
- Pending Tender: Mar 19th is date set for Japanese SBS tender, they'e seeking 25,000 mt of food grade Wheat, acc. to ag ministry official
- Pending Tender: A 70,000 mt optional origin Wheat tender was again refloated by Bangladesh on Thursday, Acc. to state official. The bid deadline for this tender is set for March 25th
- Liffe May milling wheat futures were unchanged at 123.25 euros/mt.
- Globex Wheat Vol. 52,090; Pit Vol. 1,463; Open Interest Change: + 2,441
- Weather: 6 - 10 Day Forecast: Normal to Above Temps. Normal to Above Precip.
- Outside markets: Energy Complex +0.25 at \$81.75; Gold & Silver: -0.5 at \$1134.7 & +0.063 at

\$17.445; US \$ -0.170 at \$80.290

Cash Markets

-- CIF SR Wheat steady 1: Mar. +35 to +50 Apr. +35 to +50 July +28 to +30

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John Christopher

Linn Group

312.896.2061